

Senate File 117 - Introduced

SENATE FILE 117

BY HATCH and BOLKCOM

A BILL FOR

1 An Act relating to health care and policy, and health care
2 infrastructure and integration of public and private
3 programs, and related matters, and including effective date
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I
HEALTH CARE INFRASTRUCTURE —
DIVISION OF HEALTH POLICY

Section 1. Section 135.61, subsection 17, Code 2011, is amended by striking the subsection.

Sec. 2. Section 135.61, subsection 21, Code 2011, is amended to read as follows:

21. *"Outpatient surgical facility"* means a medical facility which as its primary function provides, through an organized medical staff and on an outpatient basis to patients who are generally ambulatory, that provides surgical procedures not ordinarily performed in a private physician's office, but not requiring twenty-four hour hospitalization, and which is neither a part of a hospital nor the private office of a health care provider who there engages in the lawful practice of surgery in at least one dedicated, fully equipped operating room to patients who are admitted to and discharged from the facility within the same day, that meets staffing and equipment requirements necessary to ensure patient safety and quality care. *"Outpatient surgical facility"* includes a ~~facility certified or seeking certification as an ambulatory surgical center, under the federal Medicare program or under the medical assistance program established pursuant to chapter 249A.~~

Sec. 3. Section 135.63, subsection 1, Code 2011, is amended to read as follows:

1. A new institutional health service or changed institutional health service shall not be offered or developed in this state without prior application to the department for and receipt of a certificate of need, pursuant to this division. The application shall be made upon forms furnished or prescribed by the department and shall contain such information as the department may require under this division. The application shall be accompanied by a fee equivalent to three-tenths of one percent of the anticipated cost of the project with a minimum fee of six hundred dollars and a

1 maximum fee of twenty-one thousand dollars. The fee shall
 2 be ~~remitted~~ retained by the department ~~to the treasurer of~~
 3 ~~state, who shall place it in the general fund of the state~~
 4 for administration and fulfillment of the duties of the
 5 division. Revenues retained by the division under this
 6 section shall be considered repayment receipts as defined in
 7 section 8.2. Notwithstanding section 8.33, moneys retained
 8 by the department pursuant to this section are not subject to
 9 reversion to the general fund of the state. If an application
 10 is voluntarily withdrawn within thirty calendar days after
 11 submission, seventy-five percent of the application fee shall
 12 be refunded; if the application is voluntarily withdrawn more
 13 than thirty but within sixty days after submission, fifty
 14 percent of the application fee shall be refunded; if the
 15 application is withdrawn voluntarily more than sixty days
 16 after submission, twenty-five percent of the application fee
 17 shall be refunded. Notwithstanding the required payment of an
 18 application fee under this subsection, an applicant for a new
 19 institutional health service or a changed institutional health
 20 service offered or developed by an intermediate care facility
 21 for persons with mental retardation or an intermediate care
 22 facility for persons with mental illness as defined pursuant to
 23 section 135C.1 is exempt from payment of the application fee.

24 Sec. 4. Section 135.63, subsection 2, paragraph 1, Code
 25 2011, is amended by striking the paragraph.

26 Sec. 5. Section 135.63, subsection 2, paragraphs n and o,
 27 Code 2011, are amended to read as follows:

28 *n.* Hospice services ~~provided by a hospital,~~ notwithstanding
 29 any provision in this division to the contrary.

30 *o.* The change in ownership, ~~licensure,~~ or organizational
 31 structure, ~~or designation~~ of the ~~type of~~ institutional health
 32 facility if the health services offered by the successor
 33 institutional health facility are unchanged. This exclusion is
 34 applicable only if the institutional health facility consents
 35 to the change in ownership, ~~licensure,~~ or organizational

1 structure, ~~or designation of the type of institutional health~~
2 ~~facility~~ and ceases offering the health services simultaneously
3 with the initiation of the offering of health services by the
4 successor institutional health facility.

5 Sec. 6. Section 135.163, Code 2011, is amended to read as
6 follows:

7 ~~135.163 Health and long-term care access~~ Division of health
8 policy.

9 1. The A division of health policy is created in the
10 department shall coordinate to integrate public and private
11 efforts to develop in formulating and implementing a state
12 health policy agenda to accomplish all of the following:

13 a. Develop and maintain an appropriate health care delivery
14 infrastructure and a stable, well-qualified, diverse, and
15 sustainable health care workforce in this state. The health
16 care delivery infrastructure and the health care workforce
17 shall address the broad spectrum of health care needs of Iowans
18 throughout their lifespan including long-term care needs.

19 b. Establish a methodology and process to achieve cultural
20 transformation that emphasizes health and wellness by removing
21 barriers across the spectrum of personal, professional, and
22 community constructs to empower individual behavioral and
23 systemic change.

24 c. Provide for the collection, analysis, and use of cost
25 and quality data to inform decisions by individual consumers,
26 businesses, and policymakers in determining the most effective
27 and efficient use of resources in arriving at economically
28 sustainable health care outcomes.

29 2. The division administrator shall be a health economist.
30 The administrator may utilize existing councils and workgroups
31 as necessary and shall establish a technical advisory
32 council to assist in the development of policy priorities
33 and the strategic plan described in subsection 3. The
34 technical advisory council shall include but is not limited to
35 representatives of the university of Iowa college of public

1 health and the university of Iowa public policy center, health
2 planners, health care consumers, health care purchasers, state
3 and local agencies that regulate entities involved in health
4 care, health care providers, and health care facilities.

5 3. The department health policy division shall, at a
6 minimum, do all of the following:

7 ~~1.~~ a. Develop a strategic plan for health care delivery
8 infrastructure and health care workforce resources in this
9 state in accordance with section 135.164. The division shall
10 act as an ongoing resource to the health facilities council in
11 evaluating and updating the certificate of need program.

12 ~~2.~~ b. Provide for the continuous collection of data to
13 provide a basis for health care strategic planning and health
14 care policymaking decision making by individual consumers,
15 businesses, and policymakers.

16 ~~3. Make recommendations regarding the health care delivery~~
17 ~~infrastructure and the health care workforce that assist~~
18 ~~in monitoring current needs, predicting future trends, and~~
19 ~~informing policymaking.~~

20 c. Develop and implement a blueprint to make Iowa one of the
21 healthiest states by the year 2014.

22 Sec. 7. Section 135.164, Code 2011, is amended to read as
23 follows:

24 **135.164 Strategic plan.**

25 1. Development of a strategic plan. The division
26 shall develop a strategic plan for health care delivery
27 infrastructure and health care workforce resources. The
28 strategic plan shall describe the existing health care system,
29 describe and provide a rationale for the desired health
30 care system, provide an action plan for implementation of
31 changes necessary to achieve the desired health care system,
32 and provide methods to evaluate the system. The plan shall
33 incorporate expenditure control methods and integrate criteria
34 for evidence-based health care. The department division shall
35 do all of the following in developing the strategic plan for

1 ~~health care delivery infrastructure and health care workforce~~
2 ~~resources:~~

3 ~~a.~~ Conduct strategic health planning activities related to
4 preparation of the strategic plan.

5 ~~b.~~ Develop a computerized system for accessing, analyzing,
6 and disseminating data relevant to strategic health planning.
7 The ~~department~~ division may enter into data sharing agreements
8 and contractual arrangements necessary to obtain or disseminate
9 relevant data.

10 ~~c.~~ Conduct research and analysis or arrange for research
11 and analysis projects to be conducted by public or private
12 organizations to further the development of the strategic plan.

13 ~~d.~~ ~~Establish a technical advisory committee to assist in~~
14 ~~the development of the strategic plan. The members of the~~
15 ~~committee may include but are not limited to health economists,~~
16 ~~representatives of the university of Iowa college of public~~
17 ~~health, health planners, representatives of health care~~
18 ~~purchasers, representatives of state and local agencies that~~
19 ~~regulate entities involved in health care, representatives~~
20 ~~of health care providers and health care facilities, and~~
21 ~~consumers.~~

22 2. Guiding principles. The strategic plan shall include
23 statewide health planning policies and goals related to the
24 availability of health care facilities and services, the
25 availability of appropriate health care workforce resources,
26 health and wellness promotion, the quality of care, and the
27 cost of care. The policies and goals shall be based on the
28 following principles:

29 ~~a.~~ That a strategic health planning process, responsive to
30 changing health and social needs and conditions, is essential
31 to the health, safety, and welfare of Iowans. The process
32 shall be reviewed and updated as necessary to ensure that the
33 strategic plan addresses all of the following:

34 (1) Promoting and maintaining the health of all Iowans.

35 (2) Providing accessible health care services through the

1 maintenance of an ~~adequate~~ appropriate and sustainable supply
2 of health facilities and an ~~adequate~~ a competent workforce
3 reserve.

4 (3) Controlling excessive increases in costs.

5 (4) Applying specific quality criteria and population
6 health indicators.

7 (5) Recognizing prevention and wellness as priorities ~~in~~
8 ~~health care programs to improve quality and reduce costs and~~ and
9 promoting prevention and wellness across all sectors to improve
10 individual well-being and health outcomes, while reducing human
11 and financial costs.

12 (6) Addressing periodic priority issues including disaster
13 planning, public health threats, and public safety dilemmas.

14 (7) Coordinating health care delivery and resource
15 development efforts among state agencies including those tasked
16 with facility, services, and professional provider licensure;
17 state and federal reimbursement; health service utilization
18 data systems; and others.

19 (8) Recognizing long-term care as an integral component of
20 the health care delivery infrastructure and as an essential
21 service provided by the health care workforce.

22 *b.* That both consumers and providers throughout the state
23 must be involved in the health planning process, outcomes of
24 which shall be clearly articulated and available for public
25 review and use.

26 *c.* That the supply of a health care service has a
27 substantial impact on utilization of the service, independent
28 of the effectiveness, medical necessity, or appropriateness of
29 the particular health care service for a particular individual.

30 *d.* That given that health care resources are not unlimited,
31 the impact of any new health care service or facility on
32 overall health expenditures in this state must be considered.

33 *e.* That excess capacity of health care services and
34 facilities places an increased economic burden on the public.

35 *f.* That the likelihood that a requested new health care

1 facility, service, or equipment will improve health care
2 quality and outcomes must be considered.

3 *g.* That development and ongoing maintenance of current and
4 accurate health care information and statistics related to cost
5 and quality of health care and projections of the need for
6 health care facilities and services are necessary to developing
7 an effective health care planning strategy.

8 *h.* That the certificate of need program as a component
9 of the health care planning regulatory process must balance
10 considerations of access to quality care at a reasonable
11 cost for all Iowans, optimal use of existing health care
12 resources, fostering of expenditure control, and elimination of
13 unnecessary duplication of health care facilities and services,
14 while supporting improved health care outcomes.

15 *i.* That strategic health care planning must be concerned
16 with the stability of the health care system, encompassing
17 health care financing, quality, and the availability of
18 information and services for all residents.

19 3. Components of the strategic plan. The ~~health care~~
20 ~~delivery infrastructure and health care workforce resources~~
21 strategic plan developed by the ~~department~~ division shall
22 include all of the following:

23 *a. Assessment and objectives.* A health care system
24 assessment and objectives component that does all of the
25 following:

26 (1) Describes state ~~and regional~~ population demographics,
27 health status indicators, and trends in health status and
28 health care needs.

29 (2) Identifies key policy objectives for the state health
30 care system related to access to care, health care outcomes,
31 quality, and cost-effectiveness.

32 *b. Certificate of need determinations.* A health care
33 facilities and services plan that assesses the demand for
34 health care facilities and services to inform state health care
35 planning efforts and direct certificate of need determinations

1 for those facilities and services subject to certificate of
2 need. The plan shall include all of the following:

3 (1) An inventory of ~~each geographic region's~~ existing
4 health care facilities and services.

5 (2) Projections of the need for each category of health care
6 facility and service, including those subject to certificate
7 of need.

8 (3) Policies to guide the addition of new or expanded health
9 care facilities and services to promote the use of quality,
10 evidence-based, cost-effective health care delivery options,
11 including any recommendations for criteria, standards, and
12 methods relevant to the certificate of need review process.

13 (4) An assessment of the availability of health
14 care providers, public health resources, transportation
15 infrastructure, and other considerations necessary to support
16 the needed health care facilities and services ~~in each region.~~

17 (5) An analysis of and recommended revisions to division VI
18 of this chapter to direct certificate of need determinations in
19 a manner that reflects the statewide health planning policies
20 and goals specified in subsection 2. The analysis shall
21 specifically address inclusions in and exclusions from the
22 certificate of need process and whether the exclusions comport
23 with the policies and goals specified in subsection 2.

24 *c. Data resources.* A health care data resources plan that
25 identifies data elements necessary to properly conduct planning
26 activities and to review certificate of need applications,
27 including data related to inpatient and outpatient utilization
28 and outcomes information, and financial and utilization
29 information related to charity care, quality, and cost. The
30 plan shall provide all of the following:

31 (1) An inventory of existing data resources, both public
32 and private, that store and disclose information relevant
33 to the health care planning process, including information
34 necessary to conduct certificate of need activities. The plan
35 shall identify any deficiencies in the inventory of existing

1 data resources and the data necessary to conduct comprehensive
2 health care planning activities. The plan may recommend that
3 the ~~department~~ division be authorized to access existing data
4 sources and conduct appropriate analyses of such data or
5 that other agencies expand their data collection activities
6 as statutory authority permits. The plan may identify any
7 ~~computing~~ information technology infrastructure deficiencies
8 that impede the proper storage, transmission, and analysis of
9 health care planning data.

10 (2) Recommendations for increasing the availability of data
11 related to health care planning to provide greater community
12 involvement in the health care planning process and consistency
13 in data used for certificate of need applications and
14 determinations. The plan shall also integrate the requirements
15 for annual reports by hospitals and health care facilities
16 pursuant to section 135.75, the provisions relating to analyses
17 and studies by the department pursuant to section 135.76,
18 the data compilation provisions of section 135.78, and the
19 provisions for contracts for assistance with analyses, studies,
20 and data pursuant to section 135.83.

21 d. All-payer claims database plan. A plan to establish
22 an all-payer claims database to provide for the collection
23 and analysis of claims data from multiple payers of health
24 care. The plan shall establish the goals of the database
25 which may include but are not limited to determining health
26 care utilization patterns and rates; identifying gaps in
27 prevention and health promotion services; evaluating access to
28 care; assisting with benefit design and planning; analyzing
29 statewide and local health care expenditures by provider,
30 employer, and geography; informing the development of payment
31 systems for providers; and establishing clinical guidelines
32 related to quality, safety, and continuity of care. The plan
33 shall identify a standard means of data collection, statutory
34 changes necessary to the collection and use of the data, and
35 the types of claims for which collection of data is required

1 which may include but are not limited to eligibility data;
2 provider information; medical data; private and public medical,
3 pharmacy, and dental claims data; and other appropriate data.
4 The plan shall also include an implementation and maintenance
5 schedule including a proposed budget and funding plan and
6 vision for the future.

7 ~~d.~~ e. Evaluation of trends. An assessment of emerging
8 trends in health care delivery and technology as they relate to
9 access to health care facilities and services, quality of care,
10 and costs of care. The assessment shall recommend any changes
11 to the scope of health care facilities and services ~~covered by~~
12 ~~the certificate of need program~~ that may be warranted by these
13 emerging trends. In addition, the assessment may recommend
14 any changes to criteria used by the department to review
15 certificate of need applications, as necessary.

16 ~~e.~~ f. Rural health care resources plan. A rural health care
17 resources plan to assess the availability of health resources
18 in rural areas of the state, assess the unmet needs of these
19 communities, and evaluate how federal and state reimbursement
20 policies can be modified, if necessary, to more efficiently and
21 effectively meet the health care needs of rural communities.
22 The plan shall consider the unique health care needs of rural
23 communities, the adequacy of the rural health care workforce,
24 and transportation needs for accessing appropriate care.

25 ~~f.~~ g. Workforce resources plan. A health care workforce
26 resources plan to assure a competent, diverse, and sustainable
27 health care workforce in Iowa and to improve access to health
28 care in underserved areas and among underserved populations.
29 The plan shall include the establishment of an advisory council
30 to inform and advise the department and policymakers regarding
31 issues relevant to the health care workforce in Iowa. The
32 health care workforce resources plan shall recognize long-term
33 care as an essential service provided by the health care
34 workforce.

35 h. Provider payment system plan. The provider payment

1 system plan to provide recommendations to reform the health
2 care provider payment system as an effective way to promote
3 coordination of care, lower costs, and improve quality. The
4 plan shall analyze and make recommendations regarding but not
5 limited to accountable care organizations, a global payment
6 system, or an episode of care payment system.

7 i. *Blueprint for a healthy Iowa.* A blueprint for a
8 healthy Iowa to provide a methodology and process for cultural
9 transformation that emphasizes health and wellness by removing
10 barriers across the spectrum of personal, professional, and
11 community constructs to empower individual behavioral and
12 systemic change. The blueprint shall provide for coordination
13 of existing public and private health and wellness initiatives
14 and shall include recommendations for replication of health and
15 wellness initiatives for which evidence-based success has been
16 demonstrated.

17 j. *Long-term living plan.* A long-term living plan that
18 reflects the intent specified in section 231F.1 in a manner
19 that most effectively and efficiently meets the needs of
20 Iowa's population. The plan may include recommendations
21 for modification of requirements for certificate of need
22 determinations, health care workforce requirements, and funding
23 to promote the specified intent.

24 ~~4. The department shall submit the initial statewide health~~
25 ~~care delivery infrastructure and resources strategic plan to~~
26 ~~the governor and the general assembly by January 1, 2010, and~~
27 ~~shall submit an updated strategic plan to the governor and the~~
28 ~~general assembly every two years thereafter.~~

29 4. The division shall develop a timeline for completion
30 and submission of the various components of the strategic plan
31 to the governor and the general assembly and shall submit the
32 proposed timeline to the governor and the general assembly
33 by October 1, 2011. The components relating to certificate
34 of need determinations, the all-payer claims database, and
35 the provider payment system shall be completed and submitted

1 to the governor and the general assembly by October 1, 2011.
2 The division may contract with public or private entities to
3 provide impartial, evidence-based research and analysis in
4 developing these components of the strategic plan.

5 Sec. 8. EFFECTIVE UPON ENACTMENT. This division of this
6 Act, being deemed of immediate importance, takes effect upon
7 enactment.

8 DIVISION II

9 MEDICATION THERAPY MANAGEMENT

10 Sec. 9. NEW SECTION. **8A.440 Medication therapy management.**

11 1. As used in this section, unless the context otherwise
12 requires:

13 a. "*Eligible employee*" means an employee of the state
14 including an employee of the state board of regents or
15 institutions under the state board of regents for whom group
16 health plans are established pursuant to chapter 509A providing
17 for third-party payment or prepayment for health or medical
18 expenses, and employees of a governmental subdivision for whom
19 the governmental subdivision provides for third-party payment
20 or prepayment for health or medical expenses.

21 b. "*Medication therapy management*" means a systematic
22 process performed by a licensed pharmacist, designed to
23 optimize therapeutic outcomes through improved medication use
24 and reduced risk of adverse drug events, including all of the
25 following services:

26 (1) A medication therapy review and in-person consultation
27 relating to all medications, vitamins, and herbal supplements
28 currently being taken by an eligible individual.

29 (2) A medication action plan, subject to the limitations
30 specified in this section, communicated to the individual and
31 the individual's primary care physician or other appropriate
32 prescriber to address safety issues, inconsistencies,
33 duplicative therapy, omissions, and medication costs. The
34 medication action plan may include recommendations to the
35 prescriber for changes in drug therapy.

1 (3) Documentation and follow-up to ensure consistent levels
2 of pharmacy services and positive outcomes.

3 2. *a.* The department shall continue to contract for
4 the provision of medication therapy management services for
5 eligible employees as initially required pursuant to 2010 Iowa
6 Acts, chapter 1193, section 166, and shall amend the contract
7 to include, beginning July 1, 2011, eligible employees who
8 are employees of the state board of regents and institutions
9 under the state board of regents and employees of governmental
10 subdivisions, at the election of the governmental subdivision,
11 who meet any of the following criteria:

12 (1) An individual who takes four or more prescription drugs
13 to treat or prevent two or more chronic medical conditions.

14 (2) An individual with a prescription drug therapy problem
15 who is identified by the prescribing physician or other
16 appropriate prescriber, and referred to a pharmacist for
17 medication therapy management services.

18 (3) An individual who meets other criteria established by
19 the third-party payment provider contract, policy, or plan.

20 *b.* The department shall utilize an advisory committee
21 comprised of an equal number of physicians and pharmacists
22 to provide advice and oversight regarding the contract and
23 evaluation processes. The department shall appoint the members
24 of the advisory committee from designees of the Iowa pharmacy
25 association, the Iowa medical society, and the Iowa osteopathic
26 medical association.

27 *c.* The contract shall require the company to provide annual
28 reports to the general assembly detailing the costs, savings,
29 estimated cost avoidance and return on investment, and patient
30 outcomes related to the medication therapy management services
31 provided. The company shall guarantee demonstrated annual
32 savings, including any savings associated with cost avoidance
33 at least equal to the program's costs with any shortfall amount
34 refunded to the state. The department and the company shall
35 agree on the terms, conditions, and applicable measurement

1 standards associated with the demonstration of savings. The
2 department shall verify that the demonstrated savings reported
3 by the company were attained in accordance with the agreed upon
4 measurement standards. The company shall be prohibited from
5 using the company's employees to provide the medication therapy
6 management services and shall instead be required to contract
7 with licensed pharmacies, pharmacists, or physicians.

8 *d.* The fees for pharmacist-delivered medication therapy
9 management services shall be separate from the reimbursement
10 for prescription drug product or dispensing services; shall
11 be determined by each third-party payment provider contract,
12 policy, or plan; and must be reasonable based on the resources
13 and time required to provide the service.

14 *e.* A fee shall be established for physician reimbursement
15 for services delivered for medication therapy management as
16 determined by each third-party payment provider contract,
17 policy, or plan, and must be reasonable based on the resources
18 and time required to provide the service.

19 *f.* If any part of the medication therapy management
20 plan developed by a pharmacist incorporates services which
21 are outside the pharmacist's independent scope of practice
22 including the initiation of therapy, modification of dosages,
23 therapeutic interchange, or changes in drug therapy, the
24 express authorization of the individual's physician or other
25 appropriate prescriber is required.

26 Sec. 10. REPEAL. 2010 Iowa Acts, chapter 1193, section 166,
27 is repealed.

28 Sec. 11. EFFECTIVE UPON ENACTMENT. This division of this
29 Act, being deemed of immediate importance, takes effect upon
30 enactment.

31 DIVISION III

32 DIRECTIVES FOR INTEGRATION OF PUBLIC AND PRIVATE PROGRAMS

33 Sec. 12. PLAN FOR SEAMLESS PUBLIC AND PRIVATE PROGRAM
34 INTEGRATION IN IOWA HEALTH BENEFIT EXCHANGE. The department
35 of human services, division of insurance of the department of

1 commerce, department of public health, department of revenue,
 2 department of workforce development, and other appropriate
 3 agencies, shall develop a plan to meet the requirements of the
 4 federal Patient Protection and Affordable Care Act, Pub. L.
 5 No. 111-148, relating to a health benefit exchange. The plan
 6 shall address issues relating to eligibility determinations
 7 for Medicaid, hawk-i, and tax credit subsidies; information
 8 technology and process reengineering; necessary policy,
 9 statutory, and regulatory changes; financing; and tools
 10 and strategies necessary for implementation. The plan
 11 shall provide for integration and seamless operation of the
 12 eligibility system, which shall be housed within the department
 13 of human services, with the Iowa health benefit exchange, if
 14 created. The departments shall submit a joint plan to the
 15 joint appropriations subcommittee on health and human services
 16 by October 15, 2011.

17 Sec. 13. BENCHMARK PLAN DEVELOPMENT — ANALYSIS OF
 18 INCLUSION OF BEHAVIORAL HEALTH BENEFITS. The department of
 19 human services shall analyze how the inclusion of behavioral
 20 health benefits in a benchmark plan developed under the
 21 federal Patient Protection and Affordable Care Act, Pub. L. No.
 22 111-148, would impact the delivery and financing of behavioral
 23 health services in the state. The department shall report its
 24 findings to the joint appropriations subcommittee on health and
 25 human services no later than October 15, 2011.

26 Sec. 14. FEDERAL FUNDING OPPORTUNITIES. The department
 27 of human services, department of public health, division of
 28 insurance of the department of commerce, and other affected
 29 state agencies shall pursue all federal funding opportunities
 30 under the federal Patient Protection and Affordable Care Act,
 31 Pub. L. No. 111-148, including but not limited to funding
 32 relating to implementation funding for the health benefit
 33 exchange and eligibility system planning and implementation.
 34 The departments shall coordinate efforts to the maximum extent
 35 possible and shall report their activities on a monthly basis

1 to the joint appropriations subcommittee on health and human
2 services.

3 Sec. 15. EFFECTIVE UPON ENACTMENT. This division of this
4 Act, being deemed of immediate importance, takes effect upon
5 enactment.

6 EXPLANATION

7 This bill relates to health care and health policy.

8 Division I of the bill relates to health care infrastructure
9 and creates a division of health policy within the department
10 of public health (DPH). The bill amends certificate of
11 need exclusions relating to outpatient surgical facilities,
12 hospitals, and nursing facilities. The bill also provides for
13 retention of certificate of need fees by the department for
14 administration of the program. Current law directs DPH to
15 coordinate public and private efforts to develop and maintain
16 an appropriate health care infrastructure and workforce.
17 Current law also directs DPH to develop a strategic plan to
18 address various components of the health care infrastructure
19 and workforce. Current law directs DPH to utilize a technical
20 advisory committee to assist in the development of the
21 strategic plan.

22 Under the bill, the division of health policy is created
23 in DPH to fulfill the duties of the department in integrating
24 public and private efforts in formulating and implementing
25 a state health policy agenda that addresses the health care
26 infrastructure and workforce, cultural transformation to
27 emphasize health and wellness across all sectors, and the
28 collection, analysis, and use of cost and quality data. The
29 bill provides that the administrator of the division is to
30 be a health economist and directs the division to establish
31 a technical advisory council to assist the division in
32 development of policy priorities and the strategic plan.

33 The bill specifies the duties of the division relating
34 to development of a strategic plan, collection of data, and
35 development of a blueprint to make Iowa one of the healthiest

1 states by the year 2014.

2 The bill specifies the components of the strategic plan
3 including the addressing of a health care system assessment and
4 objectives; certificate of need determinations; data resources;
5 an all-payer claims database; evaluation of trends; rural
6 health care resources; workforce resources; a provider payment
7 system; a blueprint for a healthy Iowa; and long-term living.

8 The bill directs the division of health policy to develop
9 a timeline for completion and submission of the components of
10 the strategic plan to the governor and the general assembly.
11 The bill directs the division to complete and submit the
12 components relating to certificate of need determinations, the
13 all-payer claims database, and the provider payment system to
14 the governor and the general assembly by October 1, 2011. The
15 bill authorizes the division to contract with public or private
16 entities to provide impartial, evidence-based research and
17 analysis in developing the components of the strategic plan.

18 Division I takes effect upon enactment.

19 Division II of the bill relates to medication therapy
20 management. The bill directs that the pilot program for
21 medication therapy management implemented on July 1, 2010, for
22 eligible state employees is to be expanded and the contract for
23 the program amended to include employees of the state board of
24 regents or institutions under the state board of regents and
25 employees of governmental subdivisions at the election of the
26 governmental subdivision. The bill repeals the pilot program
27 and codifies the newly expanded program. Division II takes
28 effect upon enactment.

29 Division III of the bill provides directives to state
30 departments relative to provisions in the federal Patient
31 Protection and Affordability Act.

32 Division III directs the department of human services,
33 division of insurance, department of public health,
34 department of revenue, department of workforce development,
35 and other appropriate agencies, to develop a plan to meet

1 the requirements of the federal Act relating to a health
2 benefit exchange. The plan is to address issues relating to
3 eligibility determinations for Medicaid, hawk-i, and tax credit
4 subsidies; information technology and process reengineering;
5 necessary policy, statutory, and regulatory changes; financing;
6 and tools and strategies necessary for implementation. The
7 plan is to provide for integration and seamless operation
8 of the eligibility system, which shall be housed within the
9 department of human services, with the Iowa health benefit
10 exchange, if created.

11 Division III directs the department of human services to
12 analyze how the inclusion of behavioral health benefits in
13 a benchmark plan under the federal Patient Protection and
14 Affordable Care Act would impact the delivery and financing of
15 behavioral health services in the state. The department is to
16 report its findings to the joint appropriations subcommittee on
17 health and human services no later than October 15, 2011.

18 Division III also directs the department of human services,
19 department of public health, division of insurance, and
20 other affected state agencies to pursue all federal funding
21 opportunities under the federal Act including but not
22 limited to funding relating to implementation funding for the
23 health benefit exchange and eligibility system planning and
24 implementation. The bill directs the departments to coordinate
25 efforts to the maximum extent possible and to report their
26 activities on a monthly basis to the joint appropriations
27 subcommittee on health and human services.

28 Division III takes effect upon enactment.